# HOUSE JOURNAL 61ST LEGISLATURE SIXTY-SEVENTH LEGISLATIVE DAY

Helena, Montana

House Chambers
March 26, 2009

State Capitol

House convened at 11:00 p.m. Mr. Speaker in the Chair. Invocation by Rep. Boniek. Pledge of Allegiance to the Flag.

Roll Call. All members present. Quorum present.

#### REPORTS OF STANDING COMMITTEES

STATE ADMINISTRATION (Himmelberger, Chairman):

3/26/2009

SB 299, be amended as follows:

1. Title, page 1, line 5.

Strike: "AND AN EXAMINATION"

Insert: "IN SPECIFIED CIRCUMSTANCES"

Page 1, line 18.
 Strike: "or reappointed"

3. Page 1, line 20 through line 21.

Strike: "that" on line 20 through "process" on line 21

Following: line 21

**Insert:** "(2) A person may not be reappointed as a notary public if at any time during the notary's term a complaint has been filed against the notary or the secretary of state's office has received evidence of improperly notarized documents by the notary unless the person has satisfactorily completed a training program certified by the secretary of state."

Renumber: subsequent subsection

And, as amended, be concurred in. Report adopted.

SB 348, be amended as follows:

1. Title, page 1, line 6 through line 10.

Strike: the first "EACH" on line 6 through "LEGISLATION" on line 10

Insert: "ANNUAL SESSIONS LIMITED TO 90 DAYS IN ANY 2-YEAR PERIOD; DESIGNATING ONE SESSION OF THE BIENNIUM AS A BUDGET SESSION AND ONE SESSION OF THE BIENNIUM A GENERAL SESSION; LIMITING THE LEGISLATURE TO CONSIDERATION OF APPROPRIATION AND REVENUE MATTERS"

2. Page 1, line 15 through page 2, line 9.

Strike: everything after the enacting clause

Insert: "Section 1. Article V, section 6, of The Constitution of the State of Montana is amended to read:

"Section 6. Sessions. (1) The legislature shall meet each odd-numbered year in regular session of in annual sessions limited to not more than 90 legislative days in any 2-year period, except when called into special session. Any legislature may increase the limit on the length of any subsequent session.

(2) (a) One session of the biennium shall be a budget session and shall begin on the date established by law.

(b) Only a bill to increase or decrease an appropriation or to increase or decrease revenue may be introduced

during a budget session unless introduction of another bill is approved by two-thirds vote of either house.

- (3) One session of the biennium must be primarily for consideration of general bills and any necessary budget reconciliation and shall begin on the date established by law.
- (4) The legislature may be convened in special sessions by the governor or at the by written request of a majority of the members.""

**Insert:** "NEW SECTION. Section 2. Effective date -- applicability. If approved by the electorate, this amendment is effective January 1, 2011, and applies to sessions of the legislature beginning after December 31, 2012."

**Insert:** "NEW SECTION. Section 3. Submission to electorate. This amendment shall be submitted to the qualified electors of Montana at the general election to be held in November 2010 by printing on the ballot the full title of this act and the following:

- [] FOR annual legislative sessions limited to 90 days in any 2-year period, with one session addressing the budget and one session addressing general bills.
- [] AGAINST annual legislative sessions limited to 90 days in any 2-year period, with one session addressing the budget and one session addressing general bills."

And, as amended, be concurred in. Report adopted.

#### MESSAGES FROM THE SENATE

House bills concurred in as amended and returned to the House for concurrence in Senate amendments:

3/26/2009

HB 221, introduced by Cohenour

HB 593, introduced by Villa

House bill concurred in and returned to the House:

3/26/2009

HB 243, introduced by Hunter

**Senate bills** passed and transmitted to the House for concurrence:

3/26/2009

SB 234, introduced by Gillan

SB 241, introduced by Balyeat

SB 245, introduced by Balyeat

SB 263, introduced by Shockley

SB 303, introduced by Wanzenried

 $SB\ 500,$  introduced by J. Peterson

SB 502, introduced by Keane

SB 505, introduced by Bales

# MESSAGES FROM THE GOVERNOR

March 20, 2009

The Honorable Bob Bergren Speaker of the House State Capitol Helena, Montana 59620

Dear Representative Bergren:

Please be informed that I have signed the following bills: House Bill 76 sponsored by Representative P. Beck, House Bill 101 sponsored by Representative Welborn, House Bill 138 sponsored by Representative Hunter, House Bill 160 sponsored by Representative Furey, House Bill 181 sponsored by Representative K. Peterson et al., House Bill 207 sponsored by Representative Klock, House Bill 208 sponsored by Representative O'Hara, House Bill 296 sponsored by Representative Menahan et al., Senate Bill 23 sponsored by Representative et al., Senate Bill 35 sponsored by Representative Jent, Senate Bill 53 sponsored by Representative Lewis, Senate Bill 72 sponsored by Representative Laslovich, Senate Bill 78 sponsored by Representative Brenden, Senate Bill 91 sponsored by Representative Shockley, Senate Bill 98 sponsored by Representative Keane, Senate Bill 103 sponsored by Representative Moss, Senate Bill 140 sponsored by Representative Perry, Senate Bill 152 sponsored by Representative Brueggeman, Senate Bill 157 sponsored by Representative Shockley, Senate Bill 161 sponsored by Representative De. Barrett, Senate Bill 201 sponsored by Representative Laslovich, Senate Bill 215 sponsored by Representative Steinbeisser, Senate Bill 252 sponsored by Representative Cooney et al.

Sincerely,

BRIAN SCHWEITZER Governor

March 23, 2009

The Honorable Bob Bergren Speaker of the House State Capitol Helena, Montana 59620

Dear Representative Bergren:

Please be informed that I have signed the following bills:

House Bill 61 sponsored by Representative Sesso,

House Bill 120 sponsored by Representative McChesney,

House Bill 121 sponsored by Representative Cohenour,

House Bill 159 sponsored by Representative Augare,

House Bill 205 sponsored by Representative Ebinger et al.,

House Bill 242 sponsored by Representative McAlpin,

Senate Bill 256 sponsored by Representative Shockley.

Sincerely,

3/20/2009

3/23/2009

3

# BRIAN SCHWEITZER Governor

March 25, 2009

The Honorable Bob Bergren Speaker of the House State Capitol Helena, Montana 59620

#### Dear Representative Bergren:

Please be informed that I have signed the following bills: House Bill 27 sponsored by Representative Wiseman, House Bill 37 sponsored by Representative Campbell, House Bill 38 sponsored by Representative Campbell, House Bill 44 sponsored by Representative Vincent, House Bill 46 sponsored by Representative Fleming, House Bill 57 sponsored by Representative Bean, House Bill 70 sponsored by Representative Sands, House Bill 94 sponsored by Representative McNutt, House Bill 114 sponsored by Representative Henry, House Bill 122 sponsored by Representative Menahan, House Bill 136 sponsored by Representative Boland, House Bill 149 sponsored by Representative Menahan, House Bill 151 sponsored by Representative Becker, House Bill 172 sponsored by Representative Arntzen, House Bill 245 sponsored by Representative Ankney, House Bill 247 sponsored by Representative Bergren et al., House Bill 273 sponsored by Representative O'Hara, House Bill 278 sponsored by Representative McChesney et al., House Bill 283 sponsored by Representative Himmelberger, House Bill 285 sponsored by Representative Reichner et al., House Bill 287 sponsored by Representative Driscoll et al., House Bill 293 sponsored by Representative Hiner et al., House Bill 298 sponsored by Representative Blewett et al., House Bill 426 sponsored by Representative et al. Senate Bill 5 sponsored by Representative Erickson, Senate Bill 21 sponsored by Representative Story, Senate Bill 25 sponsored by Representative Wanzenried, Senate Bill 40 sponsored by Representative Juneau, Senate Bill 54 sponsored by Representative Steinbeisser, Senate Bill 77 sponsored by Representative Juneau, Senate Bill 88 sponsored by Representative M. Tropila, Senate Bill 89 sponsored by Representative M. Tropila, Senate Bill 102 sponsored by Representative Brueggeman, Senate Bill 120 sponsored by Representative Zinke, Senate Bill 135 sponsored by Representative Larsen, Senate Bill 150 sponsored by Representative Brueggeman,

3/25/2009

Senate Bill 155 sponsored by Representative Cooney,

Senate Bill 160 sponsored by Representative Jent,

Senate Bill 170 sponsored by Representative Gebhardt,

Senate Bill 182 sponsored by Representative Esp,

Senate Bill 196 sponsored by Representative Windy Boy et al.,

Senate Bill 219 sponsored by Representative Squires,

Senate Bill 255 sponsored by Representative Tutvedt,

Senate Bill 262 sponsored by Representative Wanzenried,

Senate Bill 296 sponsored by Representative Essmann et al.,

Senate Bill 331 sponsored by Representative Balyeat et al.,

Senate Bill 376 sponsored by Representative Black,

Senate Bill 390 sponsored by Representative McGee et al.,

Senate Bill 438 sponsored by Representative Juneau et al.

Sincerely,

BRIAN SCHWEITZER

Governor

#### FIRST READING AND COMMITMENT OF BILLS

The following Senate bills were introduced, read first time, and referred to committees:

SB 241, introduced by Balyeat, Ankney, Bales, Balyeat, De. Barrett, Black, Brenden, R. Brown, T. Brown, Brueggeman, Curtiss, Erickson, Essmann, Gallus, Hamlett, Hansen, Hinkle, Jackson, Jent, Kaufmann, Keane, Laible, Larsen, Laslovich, Lewis, McGee, Murphy, Perry, Ripley, Shockley, Squires, Steinbeisser, Stewart-Peregoy, J. Tropila, Tutvedt, Wanzenried, Windy Boy, Zinke, referred to Taxation.

SB 245, introduced by Balyeat, Ankney, Arntzen, Bales, Balyeat, Barkus, De. Barrett, Berry, Black, Boniek, Brenden, R. Brown, T. Brown, Curtiss, Essmann, Gebhardt, Himmelberger, Hinkle, Hoven, Jackson, Kasten, Laible, McGee, McGillvray, McNutt, Perry, K. Peterson, Randall, Smith, Steinbeisser, Welborn, Zinke, referred to Taxation.

SB 263, introduced by Shockley, Sales, Stoker, referred to Judiciary.

SB 500, introduced by J. Peterson, referred to Appropriations.

# SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Majority Leader Campbell moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative Himmelberger in the chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

HB 664 - Representative Jopek moved HB 664 do pass. Motion carried as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Becker, Belcourt, Blasdel, Blewett, Boland, Boss Ribs, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Grinde, Hamilton, Hands, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hunter, Jones, Jopek, Kottel, Lake, MacDonald, MacLaren, Malek, McAlpin, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, A. Noonan, P. Noonan, Nooney, Pease-Lopez, Phillips, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone,

Sands, Sesso, Stahl, Steenson, Taylor, Vance, Van Dyk, Villa, Warburton, Wilmer, Wilson, Wiseman, Mr. Speaker. Total 71

Nays: Bennett, Berry, Boniek, Brown, Glaser, Hawk, Hoven, Howard, Ingraham, Kasten, Kerns, Klock, McGillvray, Mendenhall, Miller, More, Morgan, O'Hara, Peterson, Pomnichowski, Sales, Smith, Sonju, Stoker, Vincent, Wagner, Washburn, Welborn.

Total 28

Excused: None.

Total 0

Absent or not voting: McChesney.

Total 1

HB 645 - Representative Sesso introduced HB 645.

HB 645 - Representative Reinhart moved HB 645, second reading copy, be amended as follows:

1. Page 4, line 13.

Following: "(1)"

Insert: "(a)"

Strike: "An"

**Insert:** "Subject to subsection (1)(b), an"

2. Page 4.

Following: line 15

Insert: "(b) Unless specifically required by the American Recovery and Reinvestment Act of 2009, Public Law 111-5, the department of transportation may not charge indirect costs for funds received under the American Recovery and Reinvestment Act of 2009, Public Law 111-5."

#### Amendment failed as follows:

Yeas: Arntzen, Barrett, B. Beck, Becker, Bennett, Boniek, Boss Ribs, Butcher, Caferro, Cohenour, Dickenson, French, Henry, Ingraham, Kasten, Malek, McAlpin, Morgan, Pomnichowski, Reichner, Reinhart, Sales, Sonju, Vincent, Wagner, Wiseman.

Total 26

Nays: Ankney, Augare, Bean, P. Beck, Belcourt, Berry, Blewett, Boland, Brown, Campbell, Driscoll, Ebinger, Fleming, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hawk, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Kerns, Klock, Kottel, Lake, MacDonald, MacLaren, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, More, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Randall, Regier, Roberts, Roundstone, Sands, Sesso, Smith, Stahl, Steenson, Stoker, Taylor, Vance, Van Dyk, Villa, Warburton, Washburn, Wilmer, Wilson, Mr. Speaker.

Total 69

Excused: Howard, Miller.

Total 2

Absent or not voting: Blasdel, Hendrick, Welborn.

Total 3

HB 645 - Representative Wiseman moved HB 645, second reading copy, be amended as follows:

1. Page 6, line 17. Strike: "51" Insert: "52"

2. Page 7, line 14. Strike: "51" Insert: "52"

3. Page 33, line 5. Strike: "51" Insert: "52"

4. Page 36, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

5. Page 44.

Following: line 2

**Insert:** "NEW SECTION. Section 30. Local disaster grant program. The department of commerce shall make grants from funds made available for that purpose to a local government for the purpose of removal of debris from property directly damaged by a disaster for which the principal executive officer of the local jurisdiction has made a disaster declaration pursuant to 10-3-402. The terms of a grant must include a provision for repayment of the grant amount from the proceeds of any recovery that the local government receives for the costs incurred in removing the debris."

Renumber: subsequent sections

Strike: "51"
Insert: "52"

7. Page 43, line 17.
Strike: "51"
Insert: "52"

8. Page 48, line 10.
Strike: "51"
Insert: "52"

9. Page 49, line 12.
Strike: "51"
Insert: "52"

6. Page 43, line 14.

10. Page 50, line 8.

**Strike:** "<u>51</u>" **Insert:** "52"

11. Page 50, line 19.

Strike: "51" **Insert:** "50"

12. Page 51, line 5.

Strike: "51" **Insert:** "52"

13. Page 51, line 12.

Strike: "51" **Insert:** "52"

14. Page 51, line 20.

Following: "25"

Insert: ","

Strike: "AND" Following: "26" Insert: ", and 30"

15. Page 51, line 21.

Following: "25"

Insert: ","

Strike: "AND" Following: "26" Insert: ", and 30"

16. Page 52, line 15.

Strike: "51" **Insert:** "52"

17. Page A-3.

Following: line 6

Insert: "g. Local Disaster Grant Program 400,000" [general fund in FY 2010]

18. Page F-2, line 5.

Strike: "1,500,000 [FY 2010 General Fund]" Insert: "1,100,000 [FY 2010 General Fund]"

#### Amendment failed as follows:

Yeas: Barrett, Blasdel, Blewett, Boland, Caferro, Cohenour, Dickenson, Ebinger, Fleming, Getz, Hamilton, Hands, Ingraham, Malek, McAlpin, More, P. Noonan, Phillips, Pomnichowski, Reinhart, Vance, Washburn, Wilmer, Wilson, Wiseman.

Total 25

Nays: Ankney, Arntzen, Augare, Bean, B. Beck, P. Beck, Becker, Belcourt, Bennett, Berry, Boniek, Boss Ribs, Brown, Butcher, Campbell, Driscoll, French, Furey, Glaser, Grinde, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Kasten, Kerns, Klock, Kottel, Lake, MacDonald, MacLaren, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, Morgan, A. Noonan, Nooney, O'Hara, Peterson, Randall, Regier, Reichner, Roberts, Roundstone, Sales, Sands, Sesso, Smith,

Sonju, Stahl, Steenson, Stoker, Taylor, Van Dyk, Villa, Vincent, Wagner, Mr. Speaker. Total 70

Excused: Howard, Miller.

Total 2

Absent or not voting: Pease-Lopez, Warburton, Welborn.

Total 3

HB 645 - Representative Wiseman moved HB 645, second reading copy, be amended as follows:

1. Page 6, line 17.

**Strike:** "<u>51</u>" **Insert:** "52"

2. Page 7, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

3. Page 33, line 5.

**Strike:** "51" **Insert:** "52"

4. Page 36, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

5. Page 44.

Following: line 2

**Insert:** "NEW SECTION. Section 30. Local disaster grant program. The department of commerce shall make grants from funds made available for that purpose to a local government for the purpose of removal of debris from property directly damaged by a disaster for which the principal executive officer of the local jurisdiction has made a disaster declaration pursuant to 10-3-402. The terms of a grant must include a provision for repayment of the grant amount from the proceeds of any recovery that the local government receives for the costs incurred in removing the debris."

Renumber: subsequent sections

6. Page 43, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

7. Page 43, line 17.

**Strike:** "<u>51</u>" **Insert:** "52"

8. Page 48, line 10.

Strike: "<u>51</u>" Insert: "52"

9. Page 49, line 12. Strike: "51" **Insert:** "52" 10. Page 50, line 8. Strike: "51" Insert: "52" 11. Page 50, line 19. Strike: "51" Insert: "50" 12. Page 51, line 5. Strike: "51" **Insert:** "52" 13. Page 51, line 12. Strike: "51" Insert: "52" 14. Page 51, line 20. Following: "25" Insert: "," Strike: "AND" Following: " $\underline{26}$ " Insert: ", and 30" 15. Page 51, line 21. Following: "25" Insert: "," Strike: "AND" Following: "26" Insert: ", and 30" 16. Page 52, line 15. Strike: "51" **Insert:** "52" 17. Page A-3. Following: line 6 Insert: "g. Local Disaster Grant Program 400,000" [general fund in FY 2010] 18. Page A-5, line 1. **Strike:** "1,500,000" [general fund FY 10]

Insert: "1,100,000" [general fund FY 11]

#### Amendment failed as follows:

Yeas: Blasdel, Blewett, Boland, Caferro, Cohenour, Dickenson, Fleming, Getz, Malek, McAlpin, More, Phillips, Pomnichowski, Reinhart, Vance, Wilmer, Wilson, Wiseman.

Total 18

Nays: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Becker, Belcourt, Bennett, Berry, Boniek, Boss Ribs, Brown, Butcher, Campbell, Driscoll, Ebinger, French, Furey, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Kerns, Klock, Kottel, Lake, MacDonald, MacLaren, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Peterson, Randall, Regier, Reichner, Roberts, Roundstone, Sales, Sands, Sesso, Smith, Sonju, Stahl, Steenson, Stoker, Taylor, Van Dyk, Villa, Vincent, Wagner, Warburton, Washburn, Welborn, Mr. Speaker.

Excused: Howard, Miller.

Total 2

Absent or not voting: Pease-Lopez.

Total

HB 645 - Representative Wiseman moved HB 645, second reading copy, be amended as follows:

1. Page 6, line 17.

Strike: "<u>51</u>" Insert: "52"

2. Page 7, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

3. Page 33, line 5.

Strike: "<u>51</u>" Insert: "52"

4. Page 36, line 14.

Strike: "<u>51</u>" Insert: "52"

5. Page 44.

Following: line 2

**Insert:** "NEW SECTION. Section 30. Local disaster grant program. The department of commerce shall make grants from funds made available for that purpose to a local government for the purpose of removal of debris from property directly damaged by a disaster for which the principal executive officer of the local jurisdiction has made a disaster declaration pursuant to 10-3-402. The terms of a grant must include a provision for repayment of the grant amount from the proceeds of any recovery that the local government receives for the costs incurred in removing the debris."

Renumber: subsequent sections

6. Page 43, line 14.

**Strike:** "51" **Insert:** "52"

7. Page 43, line 17.

**Strike:** "51" **Insert:** "52"

8. Page 48, line 10.

**Strike:** "<u>51</u>" **Insert:** "52"

9. Page 49, line 12.

**Strike:** "<u>51</u>" **Insert:** "52"

10. Page 50, line 8.

**Strike:** "<u>51</u>" **Insert:** "52"

11. Page 50, line 19.

**Strike:** "51" **Insert:** "50"

12. Page 51, line 5.

**Strike:** "<u>51</u>" **Insert:** "52"

13. Page 51, line 12.

**Strike:** "<u>51</u>" **Insert:** "52"

14. Page 51, line 20.

Following: "25" Insert: "," Strike: "AND"

Following: "26"
Insert: ", and 30"

15. Page 51, line 21.

Following: "25" Insert: "," Strike: "AND" Following: "26" Insert: ", and 30"

16. Page 52, line 15.

**Strike:** "<u>51</u>" **Insert:** "52"

17. Page A-3.

Following: line 6

**Insert:** "g. Local Disaster Grant Program 400,000" [general fund in FY 2010]

18. Page A-4, line 12.

**Strike:** "2,500,871" [general fund FY 10] **Insert:** "2,100,871" [general fund FY 10]

#### Amendment failed as follows:

Yeas: Becker, Blewett, Boland, Ebinger, Fleming, Getz, Ingraham, McAlpin, More, Pomnichowski, Wilmer, Wiseman.

Total 12

Nays: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Belcourt, Bennett, Berry, Blasdel, Boniek, Boss Ribs, Brown, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, French, Furey, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Kasten, Kerns, Klock, Kottel, Lake, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone, Sales, Sands, Sesso, Smith, Sonju, Stahl, Steenson, Stoker, Taylor, Vance, Van Dyk, Villa, Vincent, Wagner, Warburton, Washburn, Welborn, Wilson, Mr. Speaker. Total 85

Excused: Howard, Miller.

Total 2

Absent or not voting: Mendenhall.

Total 1

HB 645 - Representative Wiseman moved HB 645, second reading copy, be amended as follows:

1. Page 6, line 17.

Strike: "51" Insert: "52"

2. Page 7, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

3. Page 33, line 5.

**Strike:** "51" **Insert:** "52"

4. Page 36, line 14.

**Strike:** "<u>51</u>" **Insert:** "52"

5. Page 44.

Following: line 2

**Insert:** "NEW SECTION. Section 30. Local disaster grant program. The department of commerce shall make grants from funds made available for that purpose to a local government for the purpose of removal of debris from property directly damaged by a disaster for which the principal executive officer of the local jurisdiction has made a disaster declaration pursuant to 10-3-402. The terms of a grant must include a provision for repayment of the grant amount from the proceeds of any recovery that the local government receives for the costs incurred in removing the debris."

Renumber: subsequent sections

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6. Page 43, line 14. Strike: "51" Insert: "52"
7. Page 43, line 17. Strike: "51" Insert: "52"
8. Page 48, line 10. Strike: "51" Insert: "52"
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9. Page 49, line 12.

**Strike:** "<u>51</u>" **Insert:** "52"

10. Page 50, line 8. Strike: "51"

Insert: "52"

11. Page 50, line 19.

Strike: "<u>51</u>" Insert: "50"

12. Page 51, line 5.

**Strike:** "<u>51</u>" **Insert:** "52"

13. Page 51, line 12.

**Strike:** "<u>51</u>" **Insert:** "52"

14. Page 51, line 20.

**Following:** "<u>25</u>"

Insert: ","

Strike: "AND" Following: "26" Insert: ", and 30"

15. Page 51, line 21.

Following: "25"

Insert: ","

Strike: "AND" Following: "26" Insert: ", and 30"

16. Page 52, line 15.

**Strike:** "<u>51</u>" **Insert:** "52"

17. Page A-3.

Following: line 6

**Insert:** "g. Local Disaster Grant Program 400,000" [general fund in FY 2010]

18. Page F-1, line 9.

**Strike:** "1,792,586 [FY 2010 General Fund]" **Insert:** "1,392,586 [FY 2010 General Fund]"

Amendment failed as follows:

Yeas: Becker, Belcourt, Blewett, Boland, Caferro, Dickenson, Ebinger, Furey, Getz, Hamilton, Hands, McAlpin, McGillvray, More, Pease-Lopez, Phillips, Pomnichowski, Sales, Sonju, Van Dyk, Wiseman. Total 21

Nays: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Bennett, Berry, Blasdel, Boniek, Boss Ribs, Brown, Butcher, Campbell, Cohenour, Driscoll, Fleming, French, Glaser, Grinde, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Kerns, Klock, Kottel, Lake, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Peterson, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Smith, Stahl, Steenson, Stoker, Taylor, Vance, Villa, Vincent, Wagner, Warburton, Washburn, Welborn, Wilson, Mr. Speaker.

Excused: Howard, Miller.

Total 2

Absent or not voting: None.

Total 0

HB 645 - Representative Sesso moved HB 645, second reading copy, be amended as follows:

1. Page 37, line 7.

Following: "PARKS"
Insert: "; debris removal"

2. Page 40, line 15.

Following: "REMOVAL" Insert: "; debris removal"

3. Page 42, line 17.

Following: "IMPROVEMENTS"

Insert: "; debris removal"

Amendment adopted as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Becker, Belcourt, Bennett, Berry, Blasdel, Blewett, Boland, Boss Ribs, Brown, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Klock, Kottel, Lake, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, More, A. Noonan, P. Noonan, Nooney, Pease-Lopez, Peterson, Phillips, Pomnichowski, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone, Sales, Sands, Sesso, Smith, Stahl, Steenson, Taylor, Vance, Van Dyk, Villa, Vincent, Warburton, Washburn, Wilmer, Wilson, Wiseman, Mr. Speaker.

Nays: Boniek, Kerns, Morgan, O'Hara, Sonju, Stoker, Wagner.

Total 7

Excused: Howard, Miller.

Total 2

Absent or not voting: Welborn.

Total 1

Rep. More rose to address the bill and his comments were out of order.

Rep. Stoker rose on a point of personal privilege to object to Rep. More's comments.

HB 645 - Representative Sesso moved HB 645, as amended, do pass. Motion carried as follows:

Yeas: Ankney, Augare, Barrett, P. Beck, Becker, Belcourt, Blewett, Boland, Boss Ribs, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Phillips, Pomnichowski, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Welborn, Wilmer, Wilson, Wiseman, Mr. Speaker.

Nays: Arntzen, Bean, B. Beck, Bennett, Berry, Blasdel, Brown, Butcher, Hawk, Hendrick, Howard, Ingraham, Kasten, Kerns, Lake, McGillvray, Mendenhall, Milburn, Miller, More, Morgan, Peterson, Randall, Regier, Reichner, Sales, Smith, Sonju, Taylor, Vance, Vincent, Wagner, Warburton, Washburn.

Total 34

Excused: None.

Total 0

Absent or not voting: Boniek.

Total 1

Majority Leader Campbell moved the committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker in the chair. Chairman Himmelberger moved the Committee of the Whole report be adopted. Report

adopted as follows:

Yeas: Ankney, Augare, Barrett, Becker, Belcourt, Blewett, Boland, Boss Ribs, Brown, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Washburn, Welborn, Wilmer, Wilson, Wiseman, Mr. Speaker. Total 69

Nays: Arntzen, Bean, B. Beck, P. Beck, Bennett, Berry, Blasdel, Boniek, Butcher, Hawk, Hendrick, Ingraham, Kasten, Kerns, Lake, McGillvray, Mendenhall, More, Randall, Regier, Sales, Smith, Sonju, Taylor, Vance, Vincent, Wagner, Warburton.

Total 28

Excused: Howard, Miller.

Total 2

Absent or not voting: Himmelberger.

Total 1

Rep. More rose on a point of personal privilege to apologize to Rep. Stoker and Rep. Himmelberger for his comments earlier.

#### **MOTIONS**

Rep. Campbell moved to suspend the rules in order to place **HB 664** on 3rd reading for this the 67th legislative day. Motion carried.

Rep. Campbell moved to suspend the rules in order to place **HB 645** on 3rd reading for this the 67th legislative day. Motion carried.

## THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

# **HB 52** passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, P. Beck, Becker, Belcourt, Bennett, Berry, Blewett, Boland, Boss Ribs, Brown, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Regier, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Vincent, Warburton, Washburn, Welborn, Wilmer, Wilson, Mr. Speaker.

Nays: B. Beck, Blasdel, Boniek, Hawk, Hendrick, Ingraham, Kasten, Kerns, Lake, Mendenhall, More, Randall, Reichner, Sales, Smith, Sonju, Taylor, Vance, Wagner.

Total 19

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 110 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, P. Beck, Becker, Belcourt, Bennett, Blewett, Boland, Boss Ribs, Brown, Campbell, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Taylor, Vance, Van Dyk, Villa, Warburton, Wilmer, Wilson, Mr. Speaker.

Nays: B. Beck, Berry, Blasdel, Boniek, Butcher, Caferro, Cohenour, Kerns, Lake, McGillvray, Mendenhall, Milburn, More, Randall, Regier, Reichner, Sales, Smith, Sonju, Stoker, Vincent, Wagner, Washburn, Welborn. Total 24

Excused: Howard, Miller.

Total 2

Total 73

Absent or not voting: Wiseman.

Total 1

#### HB 280 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, B. Beck, P. Beck, Becker, Belcourt, Blasdel, Blewett, Boland, Boss Ribs, Brown, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Reinhart, Roundstone, Sands, Sesso, Sonju, Stahl, Steenson, Taylor, Van Dyk, Villa, Washburn, Wilmer, Wilson, Mr. Speaker.

Total 71

Nays: Bean, Bennett, Berry, Boniek, Butcher, Hawk, Hendrick, Ingraham, Kasten, Kerns, Lake, McGillvray, Mendenhall, More, Randall, Regier, Reichner, Roberts, Sales, Smith, Stoker, Vance, Vincent, Wagner, Warburton, Welborn.

Total 26

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

# HB 464 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, P. Beck, Becker, Belcourt, Berry, Blasdel, Blewett, Boland, Boss Ribs, Butcher, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock,

Kottel, Lake, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Vance, Van Dyk, Villa, Wagner, Warburton, Washburn, Welborn, Wilson, Mr. Speaker.

Total 78

Nays: B. Beck, Bennett, Boniek, Brown, Caferro, Hawk, Hendrick, Ingraham, Kasten, Kerns, McGillvray, More, Morgan, Sales, Smith, Sonju, Stoker, Taylor, Vincent.

Total 19

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 472 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, B. Beck, P. Beck, Becker, Belcourt, Blasdel, Blewett, Boland, Boss Ribs, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hendrick, Henry, Hiner, Hollenbaugh, Hunter, Jones, Jopek, Kasten, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Randall, Reinhart, Roberts, Roundstone, Sands, Sesso, Smith, Sonju, Stahl, Steenson, Vance, Van Dyk, Villa, Vincent, Washburn, Wilmer, Wilson, Mr. Speaker.

Total 74

Nays: Bean, Bennett, Berry, Boniek, Brown, Butcher, Hawk, Himmelberger, Hollandsworth, Hoven, Ingraham, Kerns, Lake, Mendenhall, More, Regier, Reichner, Sales, Stoker, Taylor, Wagner, Warburton, Welborn.

Total 23

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 562 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, P. Beck, Becker, Belcourt, Bennett, Berry, Blasdel, Blewett, Boland, Boss Ribs, Brown, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Klock, Kottel, Lake, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, More, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Regier, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Smith, Stahl, Steenson, Stoker, Taylor, Vance, Van Dyk, Villa, Vincent, Warburton, Washburn, Wilmer, Wilson, Mr. Speaker.

Total 87

Nays: B. Beck, Boniek, Kerns, McGillvray, Mendenhall, Randall, Sales, Sonju, Wagner, Welborn. Total 10

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 578 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Becker, Belcourt, Blewett, Boland, Boniek, Boss Ribs, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Jones, Jopek, Kasten, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Mendenhall, Milburn, More, Morgan, A. Noonan, P. Noonan, O'Hara, Pease-Lopez, Phillips, Pomnichowski, Reichner, Reinhart, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Wagner, Washburn, Welborn, Wilmer, Wilson, Mr. Speaker.

Nays: Bennett, Berry, Blasdel, Brown, Hawk, Kerns, Lake, Nooney, Peterson, Randall, Regier, Roberts, Sales, Smith, Sonju, Taylor, Vance, Vincent, Warburton.

Total 19

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

## HB 583 passed as follows:

Yeas: Arntzen, Augare, Barrett, P. Beck, Becker, Belcourt, Berry, Blewett, Boland, Boss Ribs, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Taylor, Van Dyk, Villa, Warburton, Washburn, Wilmer, Wilson, Mr. Speaker.

Nays: Ankney, Bean, B. Beck, Bennett, Blasdel, Boniek, Brown, Butcher, Hawk, Hendrick, Ingraham, Kasten, Kerns, Lake, McGillvray, Mendenhall, More, Morgan, Pomnichowski, Randall, Regier, Reichner, Sales, Smith, Sonju, Stoker, Vance, Vincent, Wagner, Welborn.

Total 30

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

### **HB 634** passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, B. Beck, P. Beck, Becker, Belcourt, Berry, Blasdel, Blewett, Boland, Boss

Ribs, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Kasten, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McGillvray, McNutt, Mehlhoff, Menahan, Milburn, More, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Phillips, Pomnichowski, Regier, Reinhart, Roberts, Roundstone, Sands, Sesso, Sonju, Stahl, Steenson, Taylor, Van Dyk, Villa, Vincent, Warburton, Washburn, Welborn, Wilmer, Wilson, Mr. Speaker.

Nays: Bean, Bennett, Boniek, Brown, Butcher, Hawk, Ingraham, Kerns, Lake, Mendenhall, Peterson, Randall, Reichner, Sales, Smith, Stoker, Vance, Wagner.

Total 18

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 644 passed as follows:

Yeas: Ankney, Augare, Barrett, P. Beck, Becker, Belcourt, Blewett, Boland, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollenbaugh, Hunter, Jopek, Kasten, Klock, Kottel, MacDonald, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Phillips, Pomnichowski, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Welborn, Wilmer, Wilson, Mr. Speaker.

Total 61

Nays: Arntzen, Bean, B. Beck, Bennett, Berry, Blasdel, Boniek, Boss Ribs, Brown, Butcher, Hawk, Hendrick, Hollandsworth, Hoven, Ingraham, Kerns, Lake, MacLaren, McGillvray, Mendenhall, Milburn, More, Morgan, Peterson, Randall, Regier, Sales, Smith, Sonju, Taylor, Vance, Vincent, Wagner, Warburton, Washburn. Total 35

Excused: Howard, Miller.

Total 2

Absent or not voting: Jones, Wiseman.

Total 2

# HB 676 passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Belcourt, Berry, Blewett, Boland, Boniek, Boss Ribs, Brown, Butcher, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Hawk, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Kasten, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, Morgan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Peterson, Phillips, Pomnichowski, Regier, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Taylor, Van Dyk, Villa, Warburton, Washburn, Welborn, Wilmer, Wilson, Mr. Speaker.

Nays: Becker, Bennett, Blasdel, Caferro, Ingraham, Kerns, Lake, McGillvray, Mendenhall, More, Randall, Sales,

Smith, Sonju, Vance, Vincent, Wagner.

Total 17

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### **HB 664** passed as follows:

Yeas: Ankney, Arntzen, Augare, Barrett, Bean, B. Beck, P. Beck, Becker, Belcourt, Blasdel, Blewett, Boland, Boss Ribs, Butcher, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Grinde, Hamilton, Hands, Hendrick, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, Lake, MacDonald, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, Milburn, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Phillips, Randall, Regier, Reichner, Reinhart, Roberts, Roundstone, Sands, Sesso, Sonju, Stahl, Steenson, Taylor, Vance, Van Dyk, Villa, Warburton, Washburn, Wilmer, Wilson, Mr. Speaker.

Total 75

Nays: Bennett, Berry, Boniek, Brown, Glaser, Hawk, Ingraham, Kasten, Kerns, MacLaren, McGillvray, Mendenhall, More, Morgan, Peterson, Pomnichowski, Sales, Smith, Stoker, Vincent, Wagner, Welborn.
Total 22

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

#### HB 645 passed as follows:

Yeas: Ankney, Augare, Barrett, P. Beck, Becker, Belcourt, Blewett, Boland, Boss Ribs, Caferro, Campbell, Cohenour, Dickenson, Driscoll, Ebinger, Fleming, French, Furey, Getz, Glaser, Grinde, Hamilton, Hands, Henry, Himmelberger, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Jones, Jopek, Klock, Kottel, MacDonald, MacLaren, Malek, McAlpin, McChesney, McClafferty, McNutt, Mehlhoff, Menahan, A. Noonan, P. Noonan, Nooney, O'Hara, Pease-Lopez, Phillips, Pomnichowski, Reinhart, Roberts, Roundstone, Sands, Sesso, Stahl, Steenson, Stoker, Van Dyk, Villa, Welborn, Wilmer, Wilson, Mr. Speaker.

Nays: Arntzen, Bean, B. Beck, Bennett, Berry, Blasdel, Boniek, Brown, Butcher, Hawk, Hendrick, Ingraham, Kasten, Kerns, Lake, McGillvray, Mendenhall, Milburn, More, Morgan, Peterson, Randall, Regier, Reichner, Sales, Smith, Sonju, Taylor, Vance, Vincent, Wagner, Warburton, Washburn.

Total 33

Excused: Howard, Miller.

Total 2

Absent or not voting: Wiseman.

Total 1

Rep. Wilson rose on a point of order to say that his button didn't work on third reading for HB 645 and that he wished to be recorded as a 'Yes' vote.

# REPORTS OF STANDING COMMITTEES

3/26/2009

3/26/2009

BUSINESS AND LABOR (Wilson, Chairman): SB 388, do pass. Report adopted. FEDERAL RELATIONS, ENERGY, AND TELECOMMUNICATIONS (Noonan, Chairman): SB 290, be concurred in. Report adopted. SB 403, be amended as follows: 1. Title, page 1, line 7 through line 8. Strike: "AS" on line 7 through "ENERGY" on line 8 Insert: "TO OFFSET" 2. Title, page 1, line 9. Following: "69-3-603" Strike: "," Following: "69-3-604" Insert: "AND" Strike: "AND 69-3-2005," 3. Page 2, line 26. Strike: "In" Insert: "Except as provided in subsection (5)(c)(i), in" 4. Page 2, line 29. Strike: "As" Insert: "Except as provided in subsection (5)(c)(ii), as" Strike: ":" 5. Page 2, line 30. Strike: "(i)" 6. Page 3, line 1 through line 6. Strike: ";" on line 1 through "capacity" on line 6 7. Page 3, line 9. Strike: "In" **Insert:** "Except as provided in subsection (5)(c)(i), in" 8. Page 3, line 12. Strike: "As" **Insert:** "Except as provided in subsection (5)(c)(ii), as" Strike: ":

Page 3, line 13.
 Strike: "(A)"

10. Page 3, line 14 through line 19.

Strike: ";" on line 14 through "capacity" on line 19

11. Page 3.

Following: line 29

**Insert:** "(c) (i) The standards established in subsections (3) and (4) are reduced annually by the amount of energy delivered to a utility by a qualifying small power production facility, as defined in 69-3-601, that is also an eligible renewable resource.

(ii) The standards established in subsections (3)(b) and (4)(b)(i) are reduced annually by the quantity of nameplate capacity of a qualifying small power production facility, as defined in 69-3-601, that is also an eligible renewable resource under contract to deliver electricity to a utility."

12. Page 4, line 4.

Strike: "except" through "(7)(c),"

13. Page 4, line 12 through line 19. **Strike:** subsection (c) in its entirety

**Insert:** "(c) If a public utility purchases both the electricity and renewable energy credits from a qualifying small power production facility, the acquisition must be treated as a community renewable energy project pursuant to subsections (3)(b) and (4)(b)(i)."

14. Page 5, line 21 through page 6, line 30.

Strike: section 3 in its entirety Renumber: subsequent sections

15. Page 7, line 10.

Strike: "[Sections 1, 2, and  $4 \underline{3}$ ]" Insert: "[Sections 1 and 2]"

And, as amended, be concurred in. Report adopted.

SB 424, be concurred in. Report adopted.

SB 449, be amended as follows:

1. Page 3, line 11.

Following: "with"

Insert: "the Montana university system, including"

And, as amended, be concurred in. Report adopted.

# LOCAL GOVERNMENT (Arntzen, Chairman):

SB 148, be amended as follows:

1. Title, line 9.

Following: "7-6-201," Insert: "7-6-4413,"

2. Title, line 11.

Following: "7-21-3212,"

3/26/2009

Insert: "7-33-2314,"

3. Page 3, line 26.

Strike: "amount" through "of the"

Following: "rate for"

Insert: "noncommercial, nonreceiptable"

4. Page 7, line 2.

Following: "resolution"

Insert: "pursuant to 7-6-4013"

5. Page 8.

Following: line 19

**Insert:** "Section 15. Section 7-6-4413, MCA, is amended to read:

"7-6-4413. Collection of taxes. (1) Except in the case of cities of the first, second, and third classes that provide by ordinance for the city treasurer to collect the taxes from the corrected property tax record, the county treasurer of each county shall collect the tax levied by all cities and towns in the respective county.

(2) The county treasurer shall collect the city or town taxes, including unpaid road poll taxes, at the same time as the state and county taxes and with the same penalties and interest in case of delinquency.""

Renumber: subsequent sections

6. Page 14.

Following: line 25

Insert: "Section 34. Section 7-33-2314, MCA, is amended to read:

"7-33-2314. Certain exemptions Military exemption for firefighters. The officers and members of regularly organized unpaid fire companies and exempt firefighters are entitled to the following privileges and exemptions:

(1) exemption from payment of poll tax, road tax, and head tax of every description;

(2) exemption from military duty except in case of war, invasion, or insurrection."

Renumber: subsequent sections

And, as amended, be concurred in. Report adopted.

TAXATION (Lake, Chairman):

3/26/2009

HB 658, introduced bill, be amended as follows:

1. Title, page 1, line 7.

Strike: "CHANGING THE TAXABLE RATE OF"

Insert: "PHASING IN CHANGES TO THE TAX RATES FOR"

Following: "CLASS"
Insert: "THREE AND"
Following: "PROPERTY;"

**Insert:** "INCREASING THE MARKET VALUE AMOUNT AND THE INCOME ELIGIBILITY REQUIREMENTS FOR THE PROPERTY TAX ASSISTANCE PROGRAM;"

2. Title, page 1, line 10 through line 16.

Strike: "CHANGING" on line 10 through "RENTAL HOMES" on line 16

Insert: "REVISING THE PROVISIONS RELATED TO MITIGATING EXTRAORDINARY INCREASES IN RESIDENTIAL MARKET VALUE; REVISING THE PROPERTY TAX EXEMPTION FOR DISABLED VETERANS"

3. Title, page 1, line 18. Strike: "CLARIFYING" Insert: "PROVIDING"

4. Title, page 1, line 19. Following: "LAND;"

Insert: "REVISING THE DETERMINATION OF THE CAPITALIZATION RATE FOR THE VALUATION OF FOREST LANDS; INCREASING THE ELIGIBILITY INCOME REQUIREMENTS AND BENEFIT AMOUNTS FOR THE RESIDENTIAL PROPERTY TAX CREDIT FOR THE ELDERLY;"

5. Title, page 1, line 22.

Strike: "2-15-122" through "15-6-133,"

Following: "15-6-193," Insert: "15-6-211,"

6. Title, page 1, line 23. **Strike:** "15-16-102,"

Insert: "15-30-171, 15-30-172, 15-30-176, AND"

Strike: "47-1-111, AND 53-6-1001,"

7. Title, page 1, line 23 through line 24.

Strike: "REPEALING" on line 23 through "MCA;" on line 25

8. Page 1, line 24 through page 24, line 4. **Strike:** everything after the enacting clause

Insert: "Section 1. Section 15-6-134, MCA, is amended to read:

"15-6-134. Class four property -- description -- taxable percentage. (1) Class four property includes:

- (a) subject to 15-6-222 and subsections (1)(f) and (1)(g) of this section, all land, except that specifically included in another class;
- (b) subject to 15-6-222 and subsections (1)(f) and (1)(g) of this section, all improvements, including trailers, manufactured homes, or mobile homes used as a residence, except those specifically included in another class;
- (c) the first \$\frac{\$100,000}{\$00}\$ \frac{\$119,000}{\$00}\$ or less of the taxable market value of any improvement on real property, including trailers, manufactured homes, or mobile homes, and appurtenant land not exceeding 5 acres owned or under contract for deed and actually occupied for at least 7 months a year as the primary residential dwelling of any person whose total income from all sources, including net business income and otherwise tax-exempt income of all types but not including social security income paid directly to a nursing home, is not more than \$15,000 for a single person or \$20,000 for a married couple or a head of household, as adjusted according to subsection (2)(b)(ii). For the purposes of this subsection (1)(c), net business income is gross income less ordinary operating expenses but before deducting depreciation or depletion allowance, or both.
- (d) all golf courses, including land and improvements actually and necessarily used for that purpose, that consist of at least nine holes and not less than 700 lineal yards;
- (e) subject to 15-6-222(1), all improvements on land that is eligible for valuation, assessment, and taxation as agricultural land under 15-7-202, including 1 acre of real property beneath improvements on land described in 15-6-133(1)(c). The 1 acre must be valued at market value.
  - (f) (i) single-family residences, including trailers, manufactured homes, or mobile homes;
  - (ii) rental multifamily dwelling units;
- (iii) appurtenant improvements to the residences or dwelling units, including the parcels of land upon which the residences and dwelling units are located and any leasehold improvements; and
  - (iv) vacant residential lots; and
  - (g) (i) commercial buildings and the parcels of land upon which they are situated; and

- (ii) vacant commercial lots.
- (2) Class four property is taxed as follows:
- (a) Except as provided in 15-24-1402, 15-24-1501, and 15-24-1502, property described in subsections (1)(a), (1)(b), and (1)(e) through (1)(g) of this section is taxed at:
  - (i) 3.22% 2.85% of its taxable market value in tax year 2005 2009;
  - (ii)  $\frac{3.14\%}{2.7\%}$  of its taxable market value in tax year  $\frac{2006}{2010}$ ;
  - (iii)  $\frac{3.07\%}{2.57\%}$  of its taxable market value in tax year  $\frac{2007}{2011}$ ;
  - (iv) 2.45% of its taxable market value in tax year 2012;
  - (v) 2.35% of its taxable market value in tax year 2013; and

(iv)(vi) 3.01% 2.25% of its taxable market value in tax years after 2007 2013.

(b) (i) Property qualifying under the property tax assistance program in subsection (1)(c) is taxed at the rate provided in subsection (2)(a) of its taxable market value multiplied by a percentage figure based on income and determined from the following table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
	Head of Household	
\$0 - <del>\$6,000</del> <u>\$10,000</u>	\$0 - <del>\$8,000</del> <u>\$13,000</u>	20%
<del>\$6,001</del> <u>\$10,001</u> - <del>\$9,200</del> <u>\$14,000</u>	\$8,001 \$13,001 - \$14,000 \$19,000	<u>0</u> 50%
<del>\$9,201</del> <u>\$14,001</u> - <del>\$15,000</del> <u>\$19,000</u>	\$14,001 \$19,001 - \$20,000 \$25,00	<u>00</u> 70%

- (ii) The income levels contained in the table in subsection (2)(b)(i) must be adjusted for inflation annually by the department. The adjustment to the income levels is determined by:
- (A) multiplying the appropriate dollar amount amounts in subsection (1)(c) and from the table in subsection (2)(b)(i) by the ratio of the PCE for the second quarter of the year prior to the year of application to the PCE for the second quarter of 1995; and
  - (B) rounding the product thus obtained to the nearest whole dollar amount.
- (iii) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.
- (c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage rate established in subsection (2)(a).
- (3) The department shall mail a notice of the property tax assistance program and qualification requirements and an application to each taxpayer who, under records of the department, is likely to qualify for the property tax assistance provided under this section.
- (3)(4) Within the meaning of comparable property, as defined in 15-1-101, property assessed as commercial property is comparable only to other property assessed as commercial property and property assessed as other than commercial property is comparable only to other property assessed as other than commercial property.""

Insert: "Section 2. Section 15-6-143, MCA, is amended to read:

- "15-6-143. Class ten property -- description -- taxable percentage. (1) Class ten property includes all forest lands as defined in 15-44-102.
- (2) Class ten property is taxed at 0.79% of its forest productivity value in tax year 1999, and the rate is reduced by 0.11% each year until the property is taxed at:
  - (a) for tax year 2009, 0.35% 0.32% of its forest productivity value;
  - (b) for tax year 2010, 0.3% of its forest productivity value;
    - (c) for tax year 2011, 0.28% of its forest productivity value;
  - (d) for tax year 2012, 0.26% of its forest productivity value;
    - (e) for tax year 2013, 0.24% of its forest productivity value; and
  - (f) for tax years after 2013, 0.23% of its forest productivity value.""

**Insert: "Section 3.** Section 15-6-193, MCA, is amended to read:

"15-6-193. Extended property tax assistance -- phasein. (1) For the purpose of mitigating extraordinary market value increases during revaluation cycles that begin after December 31, 2008, the rate of taxation of class four residential dwellings and appurtenant land not to exceed 5 acres otherwise set in 15-6-134(2)(a) is adjusted in this section for properties with extraordinary increases in market value with owners that meet income requirements.

- (2) An annual application on a form provided by the department is required to receive a tax rate adjustment under this section. The application must be signed under oath. A tax rate adjustment may be granted only for the current tax year and may not be granted for a previous year.
  - (3) A rate adjustment may not be granted for:
- (a) any property that was sold or for which the ownership was changed after December 31 of the last year of the previous revaluation cycle unless the change in ownership is between husband and wife or parent and child with only nominal actual consideration or the change is pursuant to a divorce decree;
- (b) the value of new construction, including remodeling, on the property occurring after December 31 of the last year of the previous revaluation cycle that is greater than 25% of the market value of the improvements; or
- (c) a land use change occurring after December 31 of the last year of the previous revaluation cycle that increases the market value of the land by more than 25%.
- (4) For the purposes of determining the adjustment in the class four property tax rate in this section, the following provisions apply for revaluation cycles beginning after December 31, 2008:
- (a) (i) The percentage increase in taxable value is measured as the percentage change in taxable value before reappraisal to the taxable value after reappraisal. The taxable value before reappraisal is calculated by multiplying the value before reappraisal times the result of 1.00 minus the homestead exemption before reappraisal times the tax rate before reappraisal. The taxable value after reappraisal is calculated by multiplying the market value after reappraisal times the result of 1.00 minus the homestead exemption after reappraisal times the tax rate after reappraisal.
- (ii) The tax rate before reappraisal is the tax rate that was in effect during the last year of the previous reappraisal cycle.
- (iii) The tax rate after reappraisal is the tax rate that will be in effect during the last year of the current reappraisal cycle.
- (iv) The homestead exemption before reappraisal is the homestead exemption that was in effect during the last year of the previous reappraisal cycle.
- (v) The homestead exemption after reappraisal is the homestead exemption that will be in effect during the last year of the current reappraisal cycle.
- (b) The dollar increase in tax liability is measured as the percentage change in tax liability before reappraisal to the tax liability after reappraisal. The tax liability before reappraisal is calculated by multiplying the value before reappraisal times the result of 1.00 minus the homestead exemption before reappraisal times the tax rate before reappraisal times the mill levy applied to the property before reappraisal. The tax liability after reappraisal is calculated by multiplying the market value after reappraisal times the result of 1.00 minus the homestead exemption after reappraisal times the tax rate after reappraisal times the mill levy applied to the property before reappraisal. The mill levy applied to the property before reappraisal is the total of all mills applied to the property in the last year of the previous reappraisal cycle.
- (c) Total household income is the sum of the income of all members of the household and all other persons who are owners of the property. Income, as used in this section, includes income from all sources, including net business income and otherwise tax-exempt income of all types but not including social security income paid directly to a nursing home. Net business income is gross income less ordinary expenses but before deducting depreciation or depletion allowance, or both. For an entity, as defined in subsection (8), income also includes the income of any natural person or entity that is a trustee of or controls 25% or more of the entity. A household is an association of persons who live in the same dwelling, sharing its furnishings, facilities, accommodations, and expenses. For single-family rental dwellings, total household income does not include the income of the tenant.
  - (d) The phase-in value is the valuation change made pursuant to 15-7-111(3)(5) since the last reappraisal.
- (5) (a) If total household income is  $\frac{$25,000}{$28,500}$  or less, the percentage increase in taxable value is greater than  $\frac{24\%}{55\%}$ , and the dollar increase in taxable liability is  $\frac{$250}{$100}$  or greater, then the property qualifies for an adjusted tax rate. The adjusted tax rate must be calculated  $\frac{$300}{$100}$  that the total increase in taxable value over the reappraisal cycle is  $\frac{$24\%}{55\%}$  and  $\frac{$300}{$100}$  and  $\frac{$300}{$100}$  that the change in taxable value is phased in over the reappraisal cycle in equal increments.
- (b) If total household income is greater than  $\frac{$25,000}{0}$  but less than or equal to  $\frac{$50,000}{0}$   $\frac{$57,000}{0}$ , the percentage increase in taxable value is greater than  $\frac{30\%}{0}$   $\frac{60\%}{0}$ , and the dollar increase in taxable liability is  $\frac{$250}{0}$  \$150 or greater, then the property qualifies for an adjusted tax rate. The adjusted tax rate must be calculated such so

that the total increase in taxable value over the reappraisal cycle is 30% 60% and such so that the change in taxable value is phased in over the reappraisal cycle in equal increments.

- (c) If total household income is greater than \$50,000 \$57,000 but less than or equal to \$75,000 \$85,500, the percentage increase in taxable value is greater than 30% 60%, and the dollar increase in taxable liability is \$250 \$200 or greater, then the property qualifies for an adjusted tax rate. The adjusted tax rate will be calculated  $\frac{1}{100}$  such that the total increase in taxable value over the reappraisal cycle is  $\frac{36\%}{60\%}$  and  $\frac{1}{100}$  and  $\frac{1}{100}$  that the change in taxable value is phased in over the reappraisal cycle in equal increments.
  - (d) The adjusted tax rate computed under this subsection (5) must be rounded to the nearest 1/100 of 1%.
- (6) (a) A person who applies for a tax rate adjustment under this section shall provide the department with documentation of total household income and other information that the department considers necessary to determine the person's eligibility for the tax rate adjustment. Documents provided to the department to determine eligibility for a tax rate adjustment are subject to the confidentiality provisions in 15-30-303.
- (b) The department shall mail a notice of the property tax assistance program and qualification requirements and an application to each taxpayer who, under records of the department, is likely to qualify for the property tax assistance provided under this section.
- (7) A person who applies for a tax rate adjustment and submits a false or fraudulent application for a tax rate adjustment is guilty of false swearing under 45-7-202.
  - (8) For the purposes of this section, "entity" means:
  - (a) a corporation, fiduciary, or pass-through entity, as those terms are defined in 15-30-101; and
  - (b) an association, joint-stock company, syndicate, trust or estate, or any other nonnatural person.""

Insert: "Section 4. Section 15-6-211, MCA, is amended to read:

"15-6-211. Certain disabled or deceased veterans' residences exempt. (1) A residence and appurtenant land, not to exceed 5 acres, on which it is built that is owned and occupied by a veteran or a veteran's spouse is exempt from property taxation if the veteran:

- (a) was killed while on active duty or died as a result of a service-connected disability; or
- (b) if living:
- (i) was honorably discharged from active service in any branch of the armed services; and
- (ii) is currently rated 100% disabled or is paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability, as verified by official documentation from the U.S. department of veterans affairs.
- (2) Property qualifying under subsection (1) is taxed at the rate provided in 15-6-134(2)(a) multiplied by a percentage figure based on income and determined from the following table:

Income Income Percentage

 Single Person
 Married Couple
 Multiplier

 \$0 - \$30,000
 \$0 - \$36,000
 0%

 \$30,001 - \$33,000
 \$36,001 - \$39,000
 20% 15%

 \$33,001 - \$36,000
 \$39,001 - \$42,000
 30% 25%

 \$36,001 - \$39,000
 \$42,001 - \$45,000
 50% 40%

- (3) The property tax exemption under this section remains in effect as long as the property is the primary residence owned and occupied by the veteran or, if the veteran is deceased, by the veteran's spouse and the spouse:
  - (a) is the owner and occupant of the house;
  - (b) is unmarried; and
- (c) has obtained from the U.S. department of veterans affairs a letter indicating that the veteran was rated 100% disabled or was paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability at the time of death or that the veteran died while on active duty or as a result of a service-connected disability.
- (4) Property qualifying under subsection (3) is taxed at the rate provided in 15-6-134(2)(a) multiplied by a percentage figure based on income and determined from the following table:

Income Percentage

Surviving Spouse Multiplier

\$0 - \$25,000 0%

\$25,001 - \$	28,000	<del>20%</del>	15%
\$28,001 - \$	31,000	<del>30%</del>	25%
\$31.001 - \$	34.000	<del>50%</del>	40%

- (5) For the purposes of the exemption under this section, the income referred to in subsections (2) and (4) is the taxpayer's federal adjusted gross income, as reported on the latest federal income tax return.
- (6) (a) The income levels contained in the tables in subsections (2) and (4) must be adjusted for inflation annually by the department. The adjustment to the income levels is determined by:
- (i) multiplying the appropriate dollar amount from the table by the ratio of the PCE for the second quarter of the year prior to the year of application to the PCE for the second quarter of 2002; and
  - (ii) rounding the product obtained in subsection (6)(a)(i) to the nearest dollar amount.
- (b) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.""

Insert: "Section 5. Section 15-6-222, MCA, is amended to read:

- "15-6-222. Residential and commercial improvements -- percentage of value exempt. (1) The following percentage of the market value of residential property described in 15-6-134(1)(e) and (1)(f) is exempt from property taxation:
  - (a)  $\frac{32\%}{35.9\%}$  for tax year  $\frac{2005}{2009}$ ;
  - (b)  $32.6\% \ 37.4\%$  for tax year  $2006 \ 2010$ ;
  - (c) 33.2% 38.7% for tax year 2007 2011;
  - (d) 39.9% for tax year 2012;
  - (e) 41.1% for tax year 2013;

(d)(f) 34% 42% for tax year 2008 2014 and succeeding tax years.

- (2) The following percentage of the market value of commercial property described in 15-6-134(1)(g) is exempt from property taxation:
  - (a)  $\frac{13.8\%}{15.3\%}$  15.3% for tax year  $\frac{2005}{2009}$ ;
  - (b) 14.2% 15.5% for tax year 2006 2010;
  - (c)  $\frac{14.6\%}{15.7\%}$  for tax year  $\frac{2007}{2011}$ ;
  - (d) 15.9% for tax year 2012;
  - (e) 16.4% for tax year 2013;

(d)(f) 15% 16.6% for tax year 2008 2014 and succeeding tax years.""

Insert: "Section 6. Section 15-7-111, MCA, is amended to read:

- "15-7-111. Periodic revaluation of certain taxable property. (1) The department shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. All other property must be revalued annually.
- (2) The department shall value and phase in the value of newly constructed, remodeled, or reclassified property in a manner consistent with the valuation within the same class and the values established pursuant to subsection (1). The department shall adopt rules for determining the assessed valuation and phased-in value of new, remodeled, or reclassified property within the same class.
- (3) The revaluation of class three, four, and ten property is complete on December 31, 2008. The amount of the change in valuation from the 2002 base year for each property in classes three, four, and ten must be phased in each year at the rate of 16.66% of the change in valuation.
- (4) During the end of the second and fourth year of each revaluation cycle, the department shall provide the revenue and transportation interim committee with a sales assessment ratio study of residences to be used to allow the committee to be apprised of the housing market and value trends.
- (3)(5) The department of revenue shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. A comprehensive written reappraisal plan must be promulgated by the department. The reappraisal plan adopted must provide that all class three, four, and ten property in each county is revalued by January 1, 2009 2015, effective for January 1, 2009 2015, and each succeeding 6 years. The resulting valuation changes must be phased in for each year until the next reappraisal. If a percentage of change for each year is not established, then the percentage of phasein for each year is 16.66%.""

**Insert:** "Section 7. Section 15-7-201, MCA, is amended to read:

- "15-7-201. Legislative intent -- value of agricultural property. (1) Because the market value of many agricultural properties is based upon speculative purchases that do not reflect the productive capability of agricultural land, it is the legislative intent that bona fide agricultural properties be classified and assessed at a value that is exclusive of values attributed to urban influences or speculative purposes.
- (2) Agricultural land must be classified according to its use, which classifications include but are not limited to irrigated use, nonirrigated use, and grazing use.
- (3) Within each class, land must be subclassified by production categories. Production categories are determined from the productive capacity of the land based on yield.
- (4) In computing the agricultural land valuation schedules to take effect on the date when each revaluation cycle takes effect pursuant to 15-7-111, the department of revenue shall determine the productive capacity value of all agricultural lands using the formula V = I/R where:
  - (a) V is the per-acre productive capacity value of agricultural land in each land use and production category;
- (b) I is the per-acre net income of agricultural land in each land use and production category and is to be determined as provided in subsection (5); and
- (c) R is the capitalization rate and, unless the advisory committee recommends a different rate and the department adopts the recommended capitalization rate by rule, is equal to 6.4%. This capitalization rate must remain in effect until the next revaluation cycle.
  - (5) (a) Net income must be determined separately in each land use based on production categories.
- (b) Net income must be based on commodity price data, which may include grazing fees, crop and livestock share arrangements, cost of production data, and water cost data for the base period using the best available data.
- (i) Commodity price data and cost of production data for the base period must be obtained from the Montana Agricultural Statistics, the Montana crop and livestock reporting service, and other sources of publicly available information if considered appropriate by the advisory committee.
- (ii) Crop share and livestock share arrangements are based on typical agricultural business practices and average landowner costs.
- (iii) Allowable water costs consist only of the per-acre labor costs, energy costs of irrigation, and, unless the advisory committee recommends otherwise and the department adopts the recommended cost by rule, a base water cost of \$5.50 \$15 for each acre of irrigated land. Total allowable water costs may not exceed \$40 for each acre of irrigated land. Labor and energy costs must be determined as follows:
- (A) Labor costs are zero \$5 an acre for pivot sprinkler irrigation systems; \$4.50 \( \)\square an acre for tow lines, side roll, and lateral sprinkler irrigation systems; and \$9 \( \)\square 15 an acre for hand-moved and flood irrigation systems.
- (B) Energy costs must be based on per-acre energy costs incurred in the energy cost base year, which is the calendar year immediately preceding the year specified by the department in 15-7-103(5). By July 1 of the year following the energy cost base year, an owner of irrigated land shall provide the department, on a form prescribed by the department, with energy costs incurred in that energy cost base year. In the event that no energy costs were incurred in the energy cost base year, the owner of irrigated land shall provide the department with energy costs from the most recent year available. The department shall adjust the most recent year's energy costs to reflect costs in the energy cost base year.
- (c) The base crop for valuation of irrigated land is <u>alfalfa hay</u> <u>spring wheat from summer fallow farm land</u>, <u>adjusted to 80% of sales price</u>, and the base crop for valuation of nonirrigated land is <u>spring</u> wheat. The base unit for valuation of grazing lands is animal unit months (AUM), defined as the average monthly requirement of pasture forage to support a 1,000-pound cow with a calf or its equivalent.
- (d) Unless the advisory committee recommends a different base period and the department adopts the recommended base period by rule, the base period used to determine net income must be the most recent 7 years for which data is available prior to the date the revaluation cycle ends. Unless the advisory committee recommends a different averaging method and the department adopts the recommended averaging method by rule, data referred to in subsection (5)(b) must be averaged, but the average must exclude the lowest and highest yearly data in the period.
- (6) The department shall compile data and develop valuation manuals adopted by rule to implement the valuation method established by subsections (4) and (5).
- (7) The governor shall appoint an advisory committee of persons knowledgeable in agriculture and agricultural economics. The advisory committee shall include one member of the Montana state university-Bozeman,

college of agriculture, staff. The advisory committee shall:

- (a) compile and review data required by subsections (4) and (5);
- (b) recommend to the department any adjustments to data or to landowners' share percentages if required by changes in government agricultural programs, market conditions, or prevailing agricultural practices;
  - (c) recommend appropriate base periods and averaging methods to the department;
  - (d) evaluate the appropriateness of the capitalization rate and recommend a rate to the department;
- (e) verify for each class of land that the income determined in subsection (5) reasonably approximates that which the average Montana farmer or rancher could have attained; and
- (f) recommend agricultural land valuation schedules to the department. With respect to irrigated land, the recommended value of irrigated land may not be below the value that the land would have if it were not irrigated."" **Insert: "Section 8.** Section 15-30-171, MCA, is amended to read:

"15-30-171. Residential property tax credit for elderly -- definitions. As used in 15-30-171 through 15-30-179, the following definitions apply:

- (1) "Claim period" means the tax year for individuals required to file Montana individual income tax returns and the calendar year for individuals not required to file returns.
  - (2) "Claimant" means a person who is eligible to file a claim under 15-30-172.
  - (3) "Department" means the department of revenue.
- (4) "Gross household income" means all income received by all individuals of a household while they are members of the household.
- (5) "Gross rent" means the total rent in cash or its equivalent actually paid during the claim period by the renter or lessee for the right of occupancy of the homestead pursuant to an arm's-length transaction with the landlord.
  - (6) "Homestead" means:
- (a) a single-family dwelling or unit of a multiple-unit dwelling that is subject to property taxes in Montana and as much of the surrounding land, but not in excess of 1 acre, as is reasonably necessary for its use as a dwelling; or
- (b) a single-family dwelling or unit of a multiple-unit dwelling that is rented from a county or municipal housing authority as provided in Title 7, chapter 15.
- (7) (a) "Household" means an association of persons who live in the same dwelling, sharing its furnishings, facilities, accommodations, and expenses.
  - (b) The term does not include bona fide lessees, tenants, or roomers and boarders on contract.
- (8) "Household income" means the amount obtained by subtracting \$6,300 \$7,850 from gross household income.
- (9) (a) "Income" means, except as provided in subsection (9)(b), federal adjusted gross income, without regard to loss, as that quantity is defined in the Internal Revenue Code of the United States, plus all nontaxable income, including but not limited to:
- (i) the amount of any pension or annuity, including Railroad Retirement Act benefits and veterans' disability benefits;
  - (ii) the amount of capital gains excluded from adjusted gross income;
  - (iii) alimony;
  - (iv) support money;
  - (v) nontaxable strike benefits;
  - (vi) cash public assistance and relief;
  - (vii) interest on federal, state, county, and municipal bonds; and
- (viii) all payments received under federal social security except social security income paid directly to a nursing home.
  - (b) For the purposes of this subsection (9), income is reduced by the taxpayer's basis.
- (10) "Property tax billed" means taxes levied against the homestead, including special assessments and fees but excluding penalties or interest during the claim period.
  - (11) "Rent-equivalent tax paid" means 15% of the gross rent.""

**Insert: "Section 9.** Section 15-30-172, MCA, is amended to read:

"15-30-172. Residential property tax credit for elderly -- eligibility. (1) In order to be eligible to make

a claim under 15-30-171 through 15-30-179, an individual:

- (a) must have reached age 62 or older during the claim period for which relief is sought;
- (b) must have resided in Montana for at least 9 months of that period;
- (c) must have occupied one or more dwellings in Montana as an owner, renter, or lessee for at least 6 months of the claim period; and
  - (d) must have less than \$45,000 \$48,300 of gross household income.
- (2) A person is not disqualified as a claimant if the person changes residences during the claim period, provided that the person occupies one or more dwellings in Montana as an owner, renter, or lessee for at least 6 months during the claim period.
- (3) The department shall mail a notice of the credit and qualification requirements to each taxpayer who, under records of the department, is likely to qualify for the credit provided for in 15-30-171 through 15-30-179."" **Insert: "Section 10.** Section 15-30-176, MCA, is amended to read:
- "15-30-176. Residential property tax credit for elderly -- computation of relief. The amount of the tax credit granted under the provisions of 15-30-171 through 15-30-179 is computed as follows:
- (1) In the case of a claimant who owns the homestead for which a claim is made, the credit is the amount of property tax billed less the deduction specified in subsection (4).
- (2) In the case of a claimant who rents the homestead for which a claim is made, the credit is the amount of rent-equivalent tax paid less the deduction specified in subsection (4).
- (3) In the case of a claimant who both owns and rents the homestead for which a claim is made, the credit is:
- (a) the amount of property tax billed on the owned portion of the homestead less the deduction specified in subsection (4); plus
- (b) the amount of rent-equivalent tax paid on the rented portion of the homestead less the deduction specified in subsection (4).
  - (4) Property tax billed and rent-equivalent tax paid are reduced according to the following schedule:

```
Household income
                             Amount of reduction
$0 - <del>$999</del>
$1,000 - $1,999 $2,120 $0
$2,000 $2,121 - $2,999 $3,250
                                     the product of .006 times the household income
$3,000 $3,251 - $3,999 $4,340
                                     the product of .016 times the household income
                                     the product of .024 times the household income
$4,000 $4,341 - $4,999 $5,420
$5,000 $5,421 - $5,999 $6,500
                                     the product of .028 times the household income
<del>$6,000</del> $6,501 - <del>$6,999</del> $7,600
                                     the product of .032 times the household income
<del>$7,000</del> <u>$7,601</u> - <del>$7,999</del> <u>$8,700</u>
                                     the product of .035 times the household income
<del>$8,000</del> $8,701 - <del>$8,999</del> $9,800
                                     the product of .039 times the household income
<del>$9,000</del> $9,801 - <del>$9,999</del> $10,900
                                     the product of .042 times the household income
$10,000 $10,901 - $10,999 $11,900
                                               the product of .045 times the household income
$11,000 $11,901 - <del>$11,999</del> $13,000
                                               the product of .048 times the household income
$12,000 $13,001 & over or more the product of .050 times the household income
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(5) For a claimant whose household income is \$35,000 or more but less than \$45,000 \$48,300, the amount of the credit is equal to the credit calculated under this section multiplied by the decimal equivalent of a percentage figure according to the following table:

```
Gross household income Percentage of credit allowed $35,000 $38,000 - $37,500 $40,700 40% $37,501 $40,701 - $40,000 $43,400 30% $40,001 $43,401 - $42,500 $46,000 20% $42,501 $46,001 - $44,999 $48,299 10% $45,000 $48,300 or more 0%
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(6) The credit granted may not exceed \$1,000 \$1,085.""

**Insert: "Section 11.** Section 15-44-103, MCA, is amended to read:

- "15-44-103. Legislative intent -- value of forest lands -- valuation zones. (1) In order to encourage landowners of private forest lands to retain and improve their holdings of forest lands, to promote better forest practices, and to encourage the investment of capital in reforestation, forest lands must be classified and assessed under the provisions of this section.
  - (2) The forest productivity value of forest land must be determined by:
- (a) capitalizing the value of the mean annual net wood production at the culmination of mean annual increment plus other agriculture-related income, if any; less
- (b) annualized expenses, including but not limited to the establishment, protection, maintenance, improvement, and management of the crop over the rotation period.
  - (3) To determine the forest productivity value of forest lands, the department shall:
- (a) divide the state into appropriate forest valuation zones, with each zone designated so as to recognize the uniqueness of marketing areas, timber types, growth rates, access, operability, and other pertinent factors of that zone; and
- (b) establish a uniform system of forest land classification that takes into consideration the productive capacity of the site to grow forest products and furnish other associated agricultural uses.
- (4) In computing the forest land valuation schedules for each forest valuation zone to take effect on January  $\frac{1}{1}$ ,  $\frac{1994}{1}$ , the department shall determine the productive capacity value of all forest lands in each forest valuation zone using the formula V = I/R, where:
  - (a) V is the per-acre forest productivity value of the forest land;
- (b) I is the per-acre net income of forest lands in each valuation zone and is determined by the department using the formula  $I = (M \times SV) + AI C$ , where:
  - (i) I is the per-acre net income;
  - (ii) M is the mean annual net wood production;
  - (iii) SV is the stumpage value;
  - (iv) AI is the per-acre agriculture-related income; and
  - (v) C is the per-unit cost of the forest product and agricultural product produced, if any; and
  - (c) R is the capitalization rate determined by the department as provided in subsection (6).
  - (5) Net income must:
- (a) be calculated for each year of a base period, which is the most recent 5-year period for which data is available:
- (b) be based on a rolling average of stumpage value of timber harvested within the forest valuation zone and on the associated production cost data for the base period from sources considered appropriate by the department; and
- (c) include agriculture-related net income for the same time period as the period used to determine average stumpage values.
- (6) The capitalization rate must be calculated for each year of the base period and is the annual average interest rate on agricultural loans as reported by the Northwest farm credit services, agricultural credit association of Spokane, Washington, plus the effective tax rate. However, the capitalization rate for each year of the base period may not be less than 8%.
- (7) The effective tax rate must be calculated for each year of the base period by dividing the total estimated tax due on forest lands subject to the provisions of this section by the total forest value of those lands.
- (8) For the purposes of this section, if forest service sales are used in the determination of stumpage values, the department shall take into account purchaser road credits.
- (9) In determining the forest productivity value of forest lands and in computing the forest land valuation schedules, the department shall use information and data provided by the university of Montana-Missoula.
  - (10) (a) There is a forest lands taxation advisory committee consisting of:
- (i) four members with expertise in forest matters, one appointed by the majority leader of the senate, one by the minority leader of the senate, one by the majority leader of the house of representatives, and one by the minority leader of the house of representatives; and
- (ii) three members appointed by the governor, one who is an industrial forest landowner, one who is a nonindustrial forest landowner, and one who is a county commissioner.

- (b) The terms of the members expire on December 31 of each even-numbered year.
- (c) The advisory committee shall:
- (i) review data required by subsections (2) through (6), (8), and (9), including data on productivity value, stumpage value, wood production, capitalization rate, net income, and agriculture-related income;
- (ii) recommend to the department any adjustments to data if required by changes in government forest land programs, market conditions, or prevailing forest lands practices;
  - (iii) recommend appropriate base periods and averaging methods to the department;
- (iv) verify for each forest valuation zone and forest land classification under subsection (3) that the income determined in subsection (5) reasonably approximates that which the average Montana forest landowner could have attained; and
  - (v) recommend forest land valuation schedules to the department.""

Insert: "NEW SECTION. Section 12. Effective date. [This act] is effective on passage and approval."

**Insert:** "NEW SECTION. Section 13. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 2008."

And, as amended, do pass. Report adopted.

# TRANSPORTATION (Sonju, Chairman):

3/26/2009

HB 615, introduced bill, be amended as follows:

1. Page 1, line 20. Following: "and" Strike: "61-6-135"

Insert: "61-6-134"

2. Page 1, line 26 through line 27. **Following:** "standards" on line 26

Strike: ", with" through "department" one line 27

3. Page 2, line 1 through line 2.

Following: "personnel," on line 1

Strike: "and" through "department" on line 13

**Insert:** "county treasurers, and authorized agents under the provisions of 61-3-116"

4. Page 2, line 4.

Following: "(e)" on line 4

Strike: "include" through "department" on line 5

**Insert:** "receive insurance data file transfers from insurers under specifications and standards set forth in subsection (3)(a) to identify vehicles that are not covered by an insurance policy"

5. Page 2, line 11.

Following: "week,"

Insert: "subject to reasonable allowances for scheduled maintenance or temporary system failures,"

6. Page 2, line 13.

Following: "period"

Insert: "of not less than 6 months"

7. Page 2, line 17.

Following: "coverage for"

Insert: ": (a)"

8. Page 2, line 18.

Following: the first "in this state"

**Insert:** "; and (b) if available, for a vehicle that is insured by that company"

Following: the second "in this state"

**Insert:** "and that is the subject of an accident investigation"

9. Page 2, line 24 through line 25.

Following: the first "vehicle" on line 24

Strike: ", an operator" through "accident" on line 25

10. Page 2, line 25.

Following: "by"

Strike: "or has"

11. Page 2, line 27.

Following: "(2)"

Insert: "(a)"

Strike: "The"

**Insert:** "Except as provided in subsection (2)(b), the"

12. Page 2, line 30.

**Insert:** "(b) Subsection (2)(a) does not apply if the vehicle is:

- (i) covered under a commercial automobile insurance coverage policy;
- (ii) part of a self-insured fleet as provided in 61-6-143; or
- (iii) included in an insurance binder, as allowed by 33-15-411, that has not been entered into the system.
- (3) Except upon reasonable cause to believe that a driver has violated another traffic regulation or that the driver's vehicle is unsafe or not equipped as required by law, a peace officer may not use the verification system to stop a driver for operating a motor vehicle in violation of 61-6-301."

13. Page 11, line 1.

Following: "apply:"

Insert: "(1) "Commercial automobile insurance coverage" means any coverage provided to an insured, regardless of number of vehicles or entities covered, under a commercial, garage, or truckers coverage form and rated from a commercial manual or rating rule. Vehicle type and ownership are not the primary factors in underwriting the coverage or rating the coverage. The rating may be subject to individual risk characteristics, including but not limited to experience rating, schedule rating, loss rating, or deductible rating."

Renumber: subsequent subsections

14. Page 11.

Following: line 12

**Insert:** "(5) "Low-volume insurer" means an insurer that provides motor vehicle liability policies for fewer than 500 vehicles in this state."

15. Page 14, line 17.

Following: the second "department" on line 17

Insert: "that are consistent with specifications and standards of the insurance industry committee on motor vehicle

administration and other applicable industry standards"

16. Page 15, line 2 through line 5. Strike: subsection (e) in its entirety Renumber: subsequent subsections

17. Page 15, line 6 through line 7.

Following: "periodic" on line 6

Strike: "batch" on line 6 through "noncompliance" on line 7

**Insert:** "insurance data file transfers from insurers under specifications and standards set forth in [section 1] to identify vehicles that are not covered by an insurance policy and to monitor ongoing compliance"

18. Page 15, line 11.

Strike: subsection (a) in its entirety Renumber: subsequent subsections

19. Page 15, line 20.

Following: "61-6-301."

**Insert:** "If the card is issued under a commercial automobile insurance policy or a self-insured fleet, the card must indicate the status as "commercially insured" or "fleet"."

And, as amended, do pass. Report adopted.

## ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Representative Campbell moved that the House adjourn until 1:33 p.m., Friday, March 27, 2009. Motion carried.

House adjourned at 1:00 p.m.

DAVE HUNTER Chief Clerk of the House BOB BERGREN Speaker of the House